

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ARBITRATION - SUITS – Final settlement of Arbitration award in respect of the work relating to earth work excavation of Srisailem Right Main canal from km 9/0 to km 10/0, km 10/0 to km 11/0 and km 11/0 to km 12/0 vide Agrt.Nos.5 SE/85-86, 6 SE/85-86 and 7 SE/85-86, dated 17-05-1985 –Payment of Rs.57,36,608/- to Sri A.V.S.V. Prasada Raju, Contractor-Orders – Issued.

IRRIGATION AND COMMAND AREA DEVELOPMENT(ARB)DEPARTMENT

G.O.MS.No. 35

Dated the 27th February, 2009
Read the following:-

1. From Sri A.V.S.V.Prasada Raju, Contractor, representation
Dated.11.07.2008.
2. G.O.Rt.No.103, I & CAD (ARB) Department, dated 24-01-2008.
3. From the C.E.(Projects), Irrgn., Kurnool, Lr.No.CE(P)/Irrgn./ KLN/263, dated 08-09-2008.
4. Govt.Memo.No.21605/ARB/08, dated 13-10-2008 & 10-11-2008.
5. From the ENC, Med.Irrgn., Hyderabad, Lr.No.ENC/Med/DCEIII/OT1/ARB-10/2008, dated 07-11-2008.
6. From Sri A.V.S.V.Prasada Raju, Contractor, representation
Dated 04-11-2008.
7. From the ENC, Med.Irrgn., Hyderabad, Lr.No.ENC/Med/DCEIII/OT1/ARB-10/2008, dated 20-11-2008.

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ORDER:

Sri AVSV. Prasada Raju in the representation first read above, has stated that he has executed the work "Earth Work Excavation of S.R. Main Canal from KM.9/0 to KM 10/0 KM 10/0 to 11/0 and KM 11/0 to KM 12/0" covered by Agreement Nos. 5 SE//85-86, 6-SE/85-86 and 7 SE/85-86 dt.17.05.1985 respectively. He has also stated that due to non release of all payments by the Department, he was filed Civil Suits and obtained decrees in Part. The Government preferred the appeals along with stay petitions in the Hon'ble High Court of Andhra Pradesh seeking stay of execution of the decrees. The Hon'ble High Court of Andhra Pradesh in its Order dated 30-04-2008 directed the Department to deposit 50% of the decretal amounts along with suit costs by granting 10 weeks time from the date of passing of the order duly advising both the Parties to have Conciliation/Mediation and settle the matter in light of Section 89 CPC which suggests both the parties to settle matters by way of Conciliation/Negotiation out side Court. He has, therefore, requested the Government to settle the matter amicably by way of Conciliation for which he is willing to compromise in the above matter.

2. In the G.O. second read above, based on the directions of the Hon'ble High Court and as per the suggestion of the Learned Advocate General, High Court of Andhra Pradesh, Hyderabad, orders have been issued constituting three Regional Committees in the State for conducting conciliation with the Contractors. Accordingly, in the Govt. Memo fourth read above, the case has been referred to the Committee for Rayalaseema Region for conducting negotiations with the contractor for an amicable settlement.

3. The Engineer-in-Chief, Medium Irrigation and Chairman / Convener for Rayalaseema Region in the letter fifth read above, has submitted the report of the Committee. He has also stated that after negotiations with the Contractor, the Committee in its report has finally stated that after deducting the amount already sanctioned the balance amount may be paid to the Contractor including the cost of the suits.

4. Sri AVSV. Prasada Raju, Contractor in his representation sixth read above, has requested the Government, that the Hon'ble High Court in its orders dated 30-4-2008 in CCCA No, 143, 144 and 145 of 2008 directed the Department (defendants) to deposit 50% of the decretal amount by 9-7-2008 duly advising both the parties to have conciliation and settle the matters. He has further stated that on the above orders of the Hon'ble High Court of Andhra Pradesh, the department has issued a Cheque dated

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16-8-08 for Rs. 1,23,63,392/- towards 50% decretal amount drawn in favour of XI Addl. Senior Civil Judge, City Civil Court, Hyderabad, to deposit the same into the Hon'ble Court. The Contractor has further stated that the conciliation has been held on 23-10-08 and he has come down to accept the decretal amount after deducting the above sanctioned amount in the meeting.

5. The Principal Secretary to Government, I & CAD Department has conducted final conciliation on 20-11-2008 with the contractor and the contractor has agreed for a sum of Rs.1,81,00,000/- as full and final settlement towards the above works. After deducting the amount already paid to the contractor a sum of Rs.57,36,608/- is only due to the contractor. (i.e., Rs.1,81,00,000 - Rs.1,23,63,392/-). The Contractor has furnished an affidavit in this regard declaring his willingness to withdraw all legal proceedings in High Court of Andhra Pradesh or in any other Courts in respect of the above works.

6. After careful examination of the matter, Government hereby sanction the balance amount of Rs.57,36,608/- (Rupees fifty seven lakhs thirty six thousand six hundred and eight only) towards full and final settlement payable to Sri A.V.S.V. Prasada Raju, Contractor, in respect of the works relating to earth work excavation of Srisailem Right Main canal from km 9/0 to km 10/0, km 10/0 to km 11/0 and km 11/0 to km 12/0 vide Agrt.Nos.5SE/85-86, 6SE/85-86 and 7SE/85-86, dated 17-05-1985.

7. The above sanctioned amount shall be debited to the following Head of Account:

"MH 4701 – COL on Major and Medium Irrigation – 01 Major Irrigation (Commercial) – MH 123 TGP – GH 11 Normal State Plan – SH 27 Canals & distributaries – 530 Major works – 531 Other expenditure".

8. The Chief Engineer(Projects), Irrigation, Kurnool, is directed to arrange to pay the amount sanctioned at para (6) above, to Sri A.V.S.V. Prasada Raju, Contractor, duly deducting the amounts that are recoverable on whatsoever account.

9. This order issues with the concurrence of Finance (W&P) Department vide their U.O.No.5/F7(A2)/09-1, dated 06-01-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.TUCKER
PRL.SECRETARY TO GOVERNMENT

To

The Chief Engineer (Projects), Irrigation, Kurnool.

The Pay & Accounts Officer, Hyderabad.

The Dy.Pay&Accounts Officer, Secretariat Buildings, Hyderabad.

Sri A.V.S.V.Prasada Raju, Class-I Contractor, H.No.8-2-615/A, Flat No.304,
Royal Court, Road No.11, Banjara Hills, Hyderabad-500 034.

Copy to:

The Engineer-in-Chief, Medium Irrigation, I&CAD, Hyderabad

The I&CAD (P&B) Deptt.,

The Accountant General, Andhra Pradesh, Hyderabad.

The Finance(W&P) Department. (with a request to release LOC for the sanctioned amount).

The Advocate-General, High Court of Andhra Pradesh, Hyderabad.

The Govt.Pleader for Arbitration, High Court of A.P., Hyderabad.

SF/SC.

//Forwarded::Byorder//

SECTION OFFICER